

## **VII. Claims**

I claim:

1. A computer-implemented method for monitoring sufficiency of collateral for a loan to a participant's benefit plan, the method comprising the steps of:

receiving a valuation of collateral for a loan to a benefit plan, the loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a benefit plan sponsor;

determining a balance of the loan to the benefit plan; and

comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan.

2. The method of claim 1, further including:

signaling an incidence of noncompliance with the loan requirement.

3. The method of claim 2, further including the step of:

computing an amount of the collateral to be sold to retire debt to comply with a loan requirement.

4. The method of claim 2, further including the step of:

computing an amount of additional collateral required to comply with the loan requirement.

5. The method of claim 1, wherein the step of comparing includes:  
computing the actual ratio of the loan amount divided by the value of the collateral;  
comparing an actual ratio to a test ratio; and  
signaling when the actual ratio equals or exceeds the test ratio.

6. The method of any one of claims 1-5, wherein the step of receiving a valuation of collateral carried out with said at least one security including at least one equity security, a put contract for a equity security, or a call contract for an equity security.

7. The method of claim 6, wherein the step of receiving a valuation of collateral is carried out with said at least one security including at least one of said equity security or said put contract for the equity security.

8. The method of claim 7, wherein the step of receiving a valuation of collateral is carried out with said at least one security including at least one said equity security.

9. The method of any one of claims 1-5, wherein the step comparing the balance of the loan to the value of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out in with the benefit plan being an ERISA benefit plan.

10. The method of claim 6, wherein the step comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with

a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

11. The method of claim 7, wherein the step comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

12. The method of claim 8, wherein the step comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

13. The method of any one of claims 1-5, wherein the step comparing the balance of the loan to the value of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan not being an ERISA benefit plan.

14. A computer-implemented method for illustrating a participant's benefit plan financial performance, the method including the steps of:

receiving benefit plan data, the data including a valuation of collateral for a loan to the benefit plan, the loan related to the benefit plan by said loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a benefit plan sponsor, the loan having a balance sufficient for compliance with a loan requirement permitted under the benefit plan; and

generating an illustration of said participant's benefit plan financial performance over time.

15. The method of claim 14, wherein the step of generating an illustration includes at least one of the following sub-steps:

computing a simple accounting rate for return said participant's benefit plan;

computing the plan's internal rate of return;

computing the plan's present value gain or loss;

computing the plan sponsor's GAAP cost; and

computing the plan sponsor's present value cost.

16. The method of claim 15, the step of generating an illustration includes at least one additional said sub-step.

17. The method of claim 16, the step of generating an illustration includes at least one additional said sub-step.

18. The method of claim 17, the step of generating an illustration includes at least one additional said sub-step.

19. The method of claim 18, the step of generating an illustration includes at least one additional said sub-step.

20. The method of claim 19, further including the step of:

transferring at least one financial performance item to at least one party with an interest in the benefit plan.

21. A computer-implemented method of illustrating a comparison of at least one participant in a stock option plan to at least one participant in a participant's benefit plan of claim 1, the method including the steps of:

receiving financial performance data for a participant's benefit plan, the benefit plan having collateral for a loan to the benefit plan, the loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a plan benefit sponsor;

receiving the financial performance data for a stock option plan;

generating a comparison of the stock option plan and the benefit plan data; and

computing at least one difference between said stock option plan and said benefit plan.

21. The method of claim 20, further including the step of:

transferring at least one financial performance item to at least one party with an interest in the benefit plan.

23. The method or methods of any one or more of claims 14-22, wherein at least one of the steps is carried out with the benefit plan being an ERISA benefit plan.

24. A computer system programmed to monitor sufficiency of collateral for a loan to a participant's benefit plan of claim 1, the system comprising:

a digital computer connected to an input device for receiving input information and to an output device, the computer programmed to carry out the steps of:

receiving a valuation of collateral for a loan to a participant's benefit plan, the loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a benefit plan sponsor;

determining a balance of the loan to the benefit plan; and

comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan.

25. The system of claim 24, wherein the computer is also programmed to carry out the step of:

signaling an incidence of noncompliance with the loan requirement.

26. The system of claim 25, wherein the computer is also programmed to carry out the step of:

computing an amount of the collateral to be sold to retire debt to comply with a loan requirement.

27. The system of claim 25, wherein the computer is also programmed to carry out the step of:

computing an amount of additional collateral required to comply with the loan requirement.

28. The system of claim 24, wherein the computer is programmed to carry out the step of comparing by steps including:

computing the actual ratio of the loan amount divided by the value of the collateral;

comparing an actual ratio to a test ratio; and

signaling when the actual ratio equals or exceeds the test ratio.

29. The system of any one of claims 24-28, wherein the computer is programmed to carry out said step of receiving a valuation of collateral carried out with said at least one security including at least one equity security, a put contract for a equity security, or a call contract for an equity security.

30. The system of claim 29, wherein the computer is programmed to carry out said step of receiving a valuation of collateral carried out with said at least one security including at least one of said equity security or said put contract for the equity security.

31. The system of claim 30, wherein the computer is programmed to carry out said step of receiving a valuation of collateral carried out with said at least one security including at least one said equity security.

32. The system of any one of claims 24-28, wherein the computer is programmed to carry out said step of comparing the balance of the loan to the value of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out in with the benefit plan being an ERISA benefit plan.

33. The system of claim 29, wherein the computer is programmed to carry out said step of comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

34. The system of claim 30, wherein the computer is programmed to carry out said step of comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

35. The system of claim 31, wherein the computer is programmed to carry out the step comparing the balance of the loan to the valuation of the collateral to monitor sufficiency of the collateral for compliance with a loan requirement permitted under the benefit plan is carried out with the benefit plan being an ERISA benefit plan.

36. A computer system controlled by a program to illustrate performance of a participant's benefit plan financial of claim 1, the system including:

a digital computer connected to an input device for receiving input information and to an output device, the computer programmed to carry out the steps of:

receiving benefit plan data, the data including a valuation of collateral for a loan to the participant's benefit plan, the loan related to the benefit play by said loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a benefit plan sponsor, the loan having a balance sufficient for compliance with a loan requirement permitted under the benefit plan; and



generating an illustration of said participant's benefit plan financial performance over time.

37. The system of claim 36, wherein said computer is controlled by the program such that the step of generating an illustration includes at least one of the following sub-steps:

- computing a simple accounting rate for return said participant's benefit plan;
- computing the plan's internal rate of return;
- computing the plan's present value gain or loss;
- computing the plan sponsor's GAAP cost; and
- computing the plan sponsor's present value cost.

38. The method of claim 37, wherein said computer is controlled by the program such that the step of generating an illustration includes at least one additional said sub-step.

39. The system of claim 38, wherein said computer is controlled by the program such that the step of generating an illustration includes at least one additional said sub-step.

40. The system of claim 39, wherein said computer is controlled by the program such that the step of generating an illustration includes at least one additional said sub-step.

41. The system of claim 40, wherein said computer is controlled by the program such that the step of generating an illustration includes at least one additional said sub-step.

42. The system of claim 41, wherein said computer is controlled by the program to carry out the step of:

transferring at least one financial performance item to at least one party with an interest in the benefit plan.

43. A computer system controlled by a program to illustrate a comparison of at least one participant in a stock option plan to at least one participant in a participant's benefit plan of claim 1, the system including:

a digital computer connected to an input device for receiving input information and to an output device, the computer programmed to carry out the steps of:

receiving financial performance data for a benefit plan, the benefit plan having collateral for a loan to the benefit plan, the loan at least partially funding acquisition of the collateral held by the benefit plan, the collateral including at least one security of a plan benefit sponsor;

receiving the financial performance data for a stock option plan;

generating a comparison of the stock option plan and the benefit plan data; and

computing at least one difference between said stock option plan and said benefit plan.

44. The system of claim 43, wherein said computer is controlled by the program to carry out the step of:

transferring at least one financial performance item to at least one party with an interest in the benefit plan.

45. The system of any one of claims 43-44, wherein said computer is controlled by the program to carry out at least one of the steps with the benefit plan being an ERISA benefit plan.